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For Translation Purpose Only

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Notice Concerning Liquidation of Silent Partnership Interests Held

MID REIT, Inc. (hereafter “MID REIT”) announces that, concerning the silent partnership interests (hereafter the “Silent Partnership Interests”) in a silent partnership (hereafter the “Silent Partnership”) operated by Sakura Dori Development Limited Liability Company (hereafter “Sakura Dori LLC”) held by MID REIT that were scheduled for redemption following MID REIT receiving from Sakura Dori LLC a notice to the effect that Sakura Dori MID Building, which is an asset owned by the Silent Partnership, had been transferred as announced in the “Notice Concerning Redemption of Silent Partnership Interests Held” dated August 20, 2013, MID REIT was today informed of the liquidation of investments in the Silent Partnership by Sakura Dori LLC and consequently expects to incur a loss on liquidation of the Silent Partnership Interests, as detailed below.

1. Schedule of Liquidation of the Silent Partnership in Association with Termination of the Silent Partnership Contract (scheduled)
Mid November 2013

2. Content

In association with the termination of the Silent Partnership Contract, as above, the Silent Partnership’s liquidation procedures are set to take place during the 15th fiscal period (July 1, 2013 to December 31, 2013). The balance of the Silent Partnership Interests at the end of the 14th fiscal period was ¥162 million as presented in the table below. This time, according to the Silent Partnership’s final liquidation value amount that has been generally ascertained, there will be no redemption of the entire amount, but only a partial redemption (approximately ¥46 million) of the Silent Partnership Interests. Accordingly, MID REIT is expected to incur a loss on liquidation of the Silent Partnership Interests (approximately ¥116 million).

Balance of the Silent Partnership Interests at end of the 14th fiscal period

Content	Amount
The Silent Partnership Interests (total amount of initial investments) (A)	¥211 million
Amount of cumulative loss on the Silent Partnership Interests (through the 14th fiscal period) (B) (Note 1)	¥49 million
The Silent Partnership Interests (balance at end of the 14th fiscal period) (A – B) (Note 2)	¥162 million

Note: This press release provides information regarding MID REIT’s “Notice Concerning Liquidation of Silent Partnership Interests Held,” and is not prepared as an inducement or invitation for investment. All readers are advised to consult their own investment advisors before investing in MID REIT. Investment decisions are investors’ sole discretion and responsibility and are made at their own risk. MID REIT and its affiliates disclaim any responsibility or liability for the consequence of investment in MID REIT.



Expected amount of loss in the 15th fiscal period

Content	Amount
The Silent Partnership Interests (balance at end of the 14th fiscal period) (A)	¥162 million
Scheduled amount of redemption of the Silent Partnership Interests (B)	Approx. ¥46 million
Expected amount of loss on the Silent Partnership Interests (A – B) (Note 3)	Approx. ¥116 million

(Note 1) The gain/loss of the amount equivalent to the interests in the Silent Partnership is recognized as “Other operating expenses” in statements of income.

(Note 2) The gain/loss of the amount equivalent to the interests in the Silent Partnership is factored into the balance of the Silent Partnership Interests in the net amount in balance sheets.

(Note 3) The expected amount of loss on the Silent Partnership Interests is scheduled to be charged to loss as “Other operating expenses.”

For details, such as past events associated with the Silent Partnership Interests, please refer to the following notices. Please note that the following notices are available for viewing on the MID REIT website.

- November 29, 2007 “Notice Regarding Acquisition of Silent Partnership Interests”
- April 15, 2008 “(Revised) Notice Regarding Acquisition of Silent Partnership Interests”
- February 26, 2009 “Notice Regarding Completed Acquisition of Silent Partnership Interests”
- August 31, 2009 “Notice Regarding Expiration of Period to Exercise Preferential Negotiating Rights Associated with Property Acquisition”
- March 31, 2010 “Notice Concerning the Situation of Silent Partnership Interests”
- August 20, 2013 “Notice Concerning Redemption of Silent Partnership Interests Held”

3. Outlook

For the outlook of MID REIT’s business results for the 15th fiscal period (July 1, 2013 to December 31, 2013) as a result of incurrence of the loss on liquidation of the Silent Partnership Interests, please refer to the “Notice Regarding Revision of Business Results and Distributions Forecast for the 15th Period Ending December 31, 2013” separately announced today.

Furthermore, an announcement will be made promptly once there are any new items to be disclosed, etc. related to this matter.